It is important that you, as a TCE Grant recipient, prepare accurate reports and submit the reports by the due date. This document provides guidance on the reports due and directs organizations to existing resources for further information.

Important Reminder: Always defer to IRS instructions if questions arise as to applicability of a particular form and its corresponding instructions. Since forms are created for use by multiple granting agencies, any special instructions are provided by the granting agency where they differ from the general form instructions.

Standard Form 425, *Federal Financial Report*:

The SF 425 or Federal Financial Report (FFR) as the Division of Payment Management (DPM) refers to the form, must be filed electronically through the Payment Management System (PMS). Information on the actual use of the PMS can be found on the DPM website at: www.dpm.psc.gov. PMS refers to the system used while DPM refers to the organization that manages the system.

The DPM designed the electronic version of the SF 425 in two parts: the Federal Cash Transaction Report and the Financial Status Report. The Federal Cash Transaction Report is required to be filed each quarter. The Financial Status Report is only required to be filed at year end with final reporting.

Quarterly Federal Cash Transaction Report:

This report is required to be filed on a quarterly basis within 30 days after the end of quarter. The reporting is cumulative from the program start date.

Quarter Ending	Report Due By
December 31	January 30
March 31	April 30
June 30	July 30
September 30	October 30

Alert! Reports can only be filed when the PMS is operational. Please be aware of system availability to ensure timely submission of reports.

If a recipient's PMS account is established and funded before December 31, the recipient must file the Federal Cash Transaction Report by January 30 whether or not Federal funds are withdrawn. If a recipient's PMS account is established and funded after January 1, the first Federal Cash Transaction Report is due on or before April 30. We anticipate all accounts will be established before March 31.

Standard instructions for completion of the SF 425 and the items required for this report can be found on the TCE Grant webpage at: http://www.irs.gov/Individuals/Tax-Counseling-for-the-Elderly

Steps for accessing and completing the Federal Cash Transaction Report:

Federal Cash Transaction Report	
Item	**Instructions**
Accessing the Reporting Screen in the Payment Management System	After signing into the Payment Management System (PMS), select "Expand All" to view the menu options: • Select "Disbursement" • Select "FFR Cash Transaction report" • Enter your PMS account number, e.g., C1234P1 • Select the "Continue" button
Report History Screen	Locate the report date and under the "Action" column, scroll in the "I want to …" box to "Prepare"
Federal Cash Transaction Report	Select the "Report Disbursements" button
Top Portion of the SF 425	
Items 1-9	PMS automatically completes the information requested in these fields based on the information captured during account registration. Note: If any information is incorrect, the information will need to be corrected prior to report preparation.
Middle Portion of the SF 425	
Items 10a – 10c	PMS will display the grants linked to your account. Record information specific to Federal cash receipts, cash disbursements, and cash on hand.
10a. Cash Receipts	This information is automatically filled by PMS based on the payments made by PMS.
10b. Cash Disbursements	Enter the cumulative amount of cash and check payments your organization has made for the selected grants as of the reporting period end date. This includes any payments made to sub-awardees. Click "Save" to complete the report at a later time or "Continue" to certify and complete the FFR Cash Transaction Report.
10c. Cash on Hand	PMS will auto-sum this line. Verify that it agrees with your records of cash on hand.
Items 10d – 10o	Entries are not required for these lines when filing the quarterly Federal Cash Transaction Report.
Bottom Portion of the SF 425	
Item 13	Once you have finished, double-check to make sure all information input is correct. Scroll to the bottom of the page to enter the signature of the authorized certifying official; enter the official's name, telephone number and e-mail address in Item 13.
Payment Management System (PMS) Action to Certify	

Certification	Within the PMS, scroll down and click the "Certify" button to attest to the accuracy and completeness of the report. A "disclaimer" message box will appear after clicking the "Certify" box. Read the disclaimer statement and click "OK" to agree. NOTE: If you do not see the "Certify" button on the screen, you may need to review your PMS access permissions and update them with the DPM.
Submit	Within the PMS, scroll down and click "Submit" button.
Certification and Submission Confirmation	A screen will appear to confirm that certification is complete "Certify Transaction Complete".

Once the report is submitted and certified, print a copy for your records.

Verify Accuracy of Quarterly Reporting:

If you want to verify the accuracy of the information submitted and/or you manage a large volume of grants on PMS and want to ensure you have input quarterly reports on all, wait until the next business day and log into the system to generate and view a report. Follow the directions below to generate a Summary Grant Data report.

1. After logging into PMS, select "Ad-Hoc Grantee Inquiry" from the main menu.
2. Choose "Summary Grant Data" from the drop down menu.
3. Enter your PMS account number in the "PAN" column.
4. Click "Run Inquiry."
5. A report will be returned that will show the cumulative disbursements entered and the quarter end date of the most current FFR filed by your organization for that grant.

Additional Training on PMS Use:

The DPM website contains training presentations with "screen shots" that may be useful when completing reports. Once on the DPM website, www.dpm.psc.gov, select "Training" and review the information for their latest webinar training slides. Materials are created for all grantees and are not specific to IRS grants. The functionality of the system is the same regardless of the granting agency. However, some guidance may differ and in this situation, you should always follow the guidance provided by your granting agency.

Along with the quarterly reporting completed in the Payment Management System, the TCE reporting requirements include a semi-annual and final report as described below.

Semi-Annual/Annual Report Requirements:

- Semi-Annual Form 8654 and Semi-Annual Narrative Report are due by
- June 30

- Annual Form 8654 Program Report and Final Narrative Report are due 90 days after your program ends or by December 31, whichever is earlier.

At the end of the program season, you are required to submit Semi-Annual, Annual and Final Narrative reports to give us specific information about the methods and procedures used to implement your program. These reports show the actual expenses incurred by you on this program during the period of the Cooperative Agreement. Failure to timely submit required reports to the TCE Grant Program Office may result in freezing of funds, termination of the grant, or non-consideration for future grant opportunities.

Also, documentation of expenses for attending a meeting at the IRS Territory Office or other location (i.e., airline tickets, hotel, meals, etc.) is needed for reimbursement and should be attached to Form 8654. All reports should be submitted electronically to your assigned grant analyst and must contain either an electronic signature or scanned copy of the original signature.

Semi-Annual Program Report :(ONLY if program is operational after April 30)

By June 30, we must receive a Semi-Annual Narrative Report (following the outline under the program narrative section) and a draft Form 8654 itemizing your total program expenditures through May 31. This documentation will be considered when reviewing the TCE Application Packages for the next program year. If your program ends by April 30th, you are not required to submit a Semi-Annual Form 8654, Program Report and semi-annual Narrative Report; you are ONLY required to submit the Annual Program Report, Form 8654 and Final Narrative Report (see next two sections below).

Annual Program Report:

An Annual Form 8654 must be submitted by December 31 or 90 days after the completion of your program, whichever is earlier. The Annual Form 8654 should be prepared as cumulative, reflecting expenditures for the entire year. The sponsor should submit this report electronically to your assigned grant analyst and must contain either an electronic signature or scanned copy of the original signature.   Discrepancies between the estimates submitted on Form 8653, Application Plan and the actual expenses shown on the Annual Program Report Form 8654 must be explained within the final program narrative.

Final Narrative Report:

The Final Program and Budget Narrative Report are due 90 days after the completion of your program or by December 31, whichever is earlier. This narrative report must be typed, double-spaced and numbered to correspond with the paragraphs indicated under

each narrative section. In this report you must clearly state, in detail, what actions you took in implementing the TCE Program.

Program Narrative:

1. Briefly describe the overall approach you took in implementing this program and the steps you took to ensure compliance with its rules and administrative guidelines.
2. Describe the methods and resources you used to recruit volunteer assistors, instructors, and coordinators/administrators.
3. Describe how the training for your volunteers was provided. Specify whether your organization provided the training.
4. Specifically state how program and site publicity were provided.
5. Specifically state how volunteers provided quality service to elderly taxpayers. In detail, describe any onsite quality review procedures, your method of monitoring and any meetings you held to draw the attention of volunteers to problem areas.
6. Describe the steps you took to ensure taxpayer privacy and to maintain the confidentiality of tax returns.
7. Identify the geographic distribution and number of assistance sites; number of electronic filing sites and number of telephone answering sites. If assistance was provided in more than one state, list the number of sites for each state. Share any research done to determine site placement.
8. Describe your electronic filing program and how it assisted the elderly taxpayers in the community. Explain whether you met the minimum returns expected goal included in your cooperative agreement. If not, why?
9. Explain internal procedures you used to monitor and evaluate program activities to ensure that the program was administered in accordance with the cooperative agreement guidelines.
10. If applicable, describe the type of assistance given by telephone and the procedures you used to monitor the quality of the information provided.
11. Provide any feedback or comments you would like to share on our federal agency's administration of the TCE Program or the grant management process for this past year.

Budget Narrative

1. Describe the method and frequency of reimbursement to volunteers. For example, state whether the volunteers were reimbursed for their actual expenses that they incurred or if stipends were provided. Please explain in detail. If stipends were provided, indicate the amount of the stipends per volunteer.
2. Describe the personnel in which their salaries or wages were paid using grant funds and what role they played in providing 100% of their time (weekly/bi-weekly or monthly) supporting the TCE Program. Provide a breakdown for each person and the costs charged to the grant.

3. Explain what the process is within your organization for authorization of expenditures to be charged to the grant. Is only one person authorized to approve or does a series of persons have to approve?
4. State the cost of travel expenses (including meals and lodging) to attend a meeting with the Territory Office. You are required to provide documentation with your initial Form 8654.
5. Describe your activities and list the types of expenses and costs charged to the grant in support of electronic filing. As a reminder, these expenses are not considered administrative expenses, but must not exceed your total grant amount. (Refer to Electronic Filing section of publication 1101 for more information).
6. Explain your recordkeeping system and how the records and receipts for the TCE Program are maintained within your organization.
7. Explain if any grant funds were expended for food. If so, provide an itemized cost listing of the food items that were expended for volunteers at TCE sites. These items should be deemed necessary, reasonable, allocable, and allowable under OMB guidelines. Remember the total expenses for food may not exceed $500.